

AMENDED IN SENATE MAY 27, 2005

AMENDED IN SENATE APRIL 20, 2005

SENATE BILL

No. 625

Introduced by Senator Battin

February 22, 2005

An act to amend Sections ~~11011~~ 11011.1, 54220, 54221, and 54222 of the Government Code, relating to public property.

LEGISLATIVE COUNSEL'S DIGEST

SB 625, as amended, Battin. State and local surplus property: written offer to sell or lease: economic development purposes.

Existing law requires ~~each state agency to review all proprietary state lands and make a list of excess lands and to report the list to the Department of General Services to offer land that has been declared surplus by the Legislature, and that is not needed by any state agency, to local governmental agencies, subject to specified conditions.~~

This bill would specifically ~~add to that list~~ authorize the department to offer surplus land that is suitable for economic development purposes, as defined, to local governmental agencies at fair market value.

Existing law requires any agency of the state and any local agency disposing of surplus land, prior to disposing of that property, to send a written offer to sell or lease the property for specified purposes.

This bill would additionally require these agencies to send a written offer to sell or lease the property for economic development purposes.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11011.1 of the Government Code is
2 amended to read:

3 11011.1. (a) Land that has been declared surplus by the
4 Legislature, pursuant to Section 11011, and is not needed by any
5 state agency shall be offered to local governmental agencies.
6 Except as authorized in subdivisions (b), (c), (d), (e), and (k), or
7 any combination thereof, transfers of surplus land to local
8 governmental agencies pursuant to this section shall be at fair
9 market value. No surplus land shall be sold for less than fair
10 market value, however, to any person or agency, whether public
11 or private, unless the contract for sale provides for the reversion
12 of the land to the state if the stated purpose for which the
13 property is sold is not achieved.

14 (b) Where the land is to be used for park and recreation
15 purposes and operated for those purposes by local agencies at no
16 expense to the state, the Director of General Services with the
17 approval of the State Public Works Board may, notwithstanding
18 any provision in Section 11011, transfer the land to local
19 governmental agencies at less than the fair market value of the
20 land, if the transfer is in the public interest, under the following
21 conditions:

22 (1) The local public agency has submitted a general
23 development plan for the property that conforms to the agency's
24 general plan pursuant to Article 5 (commencing with Section
25 65300) of Chapter 3 of Title 7, and which general development
26 plan has been approved by the Director of Parks and Recreation.

27 (2) The land shall be developed according to plan within a
28 time period determined by the state but not to exceed 10 years.
29 The deed or other instrument of transfer shall provide that the
30 land shall revert to the state if the land is not developed within
31 the time period so determined by the state.

32 (3) The deed or other instrument of transfer shall provide that
33 the land would revert to the state if the use changed to a use not
34 consistent with parks and recreation purposes during the period
35 of 25 years following the sale.

36 (c) Where the land is to be used for open-space purposes, as
37 defined herein, and operated by local agencies at no expense to
38 the state, the Director of General Services with the approval of

1 the State Public Works Board may transfer the land to local
2 governmental agencies at fair market value of the land or at any
3 lesser value of the land under any of the following conditions:

4 (1) The local public agency has submitted a plan for the use of
5 the property that conforms to the agency's general plan pursuant
6 to Article 5 (commencing with Section 65300) of Chapter 3 of
7 Title 7, and which plan has been approved by the Director of
8 Parks and Recreation.

9 (2) The land shall be used according to plan within a time
10 period determined by the state but not to exceed 10 years.

11 (3) The deed or other instrument of transfer shall provide that
12 the land would revert to the state if the use changed to a use not
13 consistent with open-space purposes during the period of 25
14 years following the sale.

15 (4) For the purpose of this subdivision, "open-space purpose"
16 means the use of land for public recreation, enjoyment of scenic
17 beauty, or conservation or use of natural resources.

18 (d) Where the land is suitable to be used for the purpose of
19 providing housing for persons and families of low or moderate
20 income, as defined in Section 50093 of the Health and Safety
21 Code, the Director of General Services, with the approval of the
22 State Public Works Board, may offer the land to local agencies
23 within whose jurisdiction the land is located. Provided, however,
24 if the state has held title to the land for seven years or less and the
25 land is not used for the purposes for which it was acquired, and
26 the land is declared surplus land and is not needed by any other
27 state agency pursuant to the provisions of Section 11011, the
28 state, prior to offering the land to local agencies, shall extend to
29 the individual from whom the land was acquired an offer to
30 purchase the land at current fair market value. The offer shall
31 extend for 60 days and if not exercised within that period shall be
32 irrevocably terminated. The land may be transferred to local
33 agencies at a reasonable cost that will enable the provision of
34 housing for persons and families of low or moderate income. The
35 cost may be less than fair market value. The Department of
36 Housing and Community Development shall recommend to the
37 Department of General Services a cost that will enable the
38 provision of housing for persons and families of low or moderate
39 income. All transfers of land pursuant to this subdivision shall be
40 subject to the following conditions:

1 (1) The local agency has made all of the following findings:

2 (A) There is a need for the housing in the community.

3 (B) The land is suitable for development of the housing.

4 (2) The local agency develops a plan for the housing in
5 accordance with criteria established by the Department of
6 Housing and Community Development, which shall include, but
7 not be limited to, criteria respecting the financial condition of the
8 developer, if the housing is to be developed by a private sponsor,
9 and the cost of the project. The plan shall be approved by the
10 Department of Housing and Community Development.

11 (3) After transfer of the property from the state to the local
12 agency, the property shall be developed as housing for persons
13 and families of low or moderate income. The local agency may
14 lease or sell the property to any nonprofit corporation, housing
15 corporation, limited dividend housing corporation, or private
16 developer if the local agency determines a private entity is best
17 suited to develop housing for persons and families of low or
18 moderate income. In authorizing the private development, the
19 local agency shall impose reasonable terms and conditions as will
20 further the purposes of this subdivision, which shall include, but
21 not be limited to, continued use of the property for housing for
22 persons and families of low or moderate income for not less than
23 40 nor more than 55 years. A lessee or purchaser of land pursuant
24 to this subdivision shall agree to limitations on profit in the
25 operation of the property that will benefit the public and assure
26 that the housing provided thereon is within the means of persons
27 and families of low or moderate income. The agreement shall be
28 binding upon successors in interest of the original lessee or
29 purchaser and shall inure to the benefit of, and be enforceable by,
30 the state.

31 (4) The local agency shall assure that the land will be used for
32 the purpose of providing low- or moderate-income housing and
33 shall not permit the use of the dwelling accommodations of the
34 project for any other purpose for not less than 40 nor more than
35 55 years, except as provided in this section.

36 In the event a local agency does not comply with the land use
37 requirements prescribed in this section, as determined by the
38 Department of General Services, the Department of General
39 Services may require that the local agency pay the state the
40 difference between the actual price paid by the local agency for

1 the property and the fair market value of the property, at the time
2 of the department's determination of noncompliance, plus 6
3 percent interest on that amount for the period of time the land has
4 been held by the local agency.

5 If the local agency, with the approval of the Department of
6 General Services, and in consultation with the Department of
7 Housing and Community Development, determines that there is
8 no longer a need for low- or moderate-income housing within the
9 jurisdiction of the local agency and another valid public purpose
10 could be achieved by utilizing the land in an alternative manner,
11 the local agency shall not be required to make any payment to the
12 state for the difference between purchase price and fair market
13 value or interest charges for the period of time the land has been
14 held by the local agency.

15 (5) Failure to comply with the provisions of this section shall
16 not invalidate the transfer, sale, or conveyance of the real
17 property to a bona fide purchaser or encumbrancer for value.

18 (6) The project shall be commenced within 24 months of the
19 original transfer to the local agency. However, the Department of
20 General Services, in consultation with the Department of
21 Housing and Community Development, may for justifiable cause
22 extend the time for commencement of development for an
23 additional 36 months. The aggregate time for commencing
24 development shall not exceed 60 months. The deed or other
25 instrument of conveyance shall specify that, if development has
26 not commenced within that time, the land shall revert to the
27 Department of General Services for disposal pursuant to this
28 section or as otherwise authorized by law.

29 (7) As used in this subdivision, "local agency" means and
30 includes any county, city, city and county, redevelopment agency
31 organized pursuant to Part 1 (commencing with Section 33000)
32 of Division 24 of the Health and Safety Code, or housing
33 authority organized pursuant to Part 2 (commencing with Section
34 34200) of Division 24 of the Health and Safety Code, public
35 district or other political subdivision of the state and any
36 instrumentality thereof, which is authorized to engage in or assist
37 in the development or operation of housing for persons and
38 families of low or moderate income and also includes two or
39 more of those agencies acting jointly pursuant to Part 1
40 (commencing with Section 6500) of Division 7 of this code.

(8) Up to 40 percent of the housing developed on land purchased at below market value pursuant to this subdivision may be housing that is not regulated as to price, rent, or eligibility of occupants only if the purchaser of the land demonstrates that the proceeds from the sale or rental of that housing, in an amount equal to the difference between the fair market value and the actual price paid for the land, is used to reduce prices or rents on other housing units that are made available exclusively to persons and families of low and moderate income.

(e) Where the land is suitable to be used for the purpose of providing housing for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, and provided no local agency has acquired or is in the process of acquiring the land pursuant to subdivision (d), the Director of General Services, with the approval of the State Public Works Board, may lease or sell the land to a housing sponsor. The land may be sold or leased at a reasonable cost that may be less than fair market value. The Department of Housing and Community Development shall recommend to the Director of General Services a cost that will enable the provision of housing for persons and families of low or moderate income. All transfers of land pursuant to this subdivision shall be subject to all of the following conditions:

(1) The housing sponsor has submitted a plan for the development of that housing pursuant to criteria established by the Department of Housing and Community Development. The criteria shall include, but need not be limited to, standards with respect to the cost of the housing development and the proportion of the housing development to be occupied by persons and families of low and moderate income. Insofar as is practical, the plan shall provide for a mix of housing for all income groups.

(2) The housing development shall normally be developed or be under development within 24 months from the time of transfer or lease of the land to the housing sponsor. However, the Department of General Services, in consultation with the Department of Housing and Community Development, may, upon finding justifiable cause, extend the time for commencement of development for an additional period of 36 months. The aggregate of all extensions for commencement of

development shall not exceed 60 months. The deed or other instrument of conveyance shall specify that if development has not commenced within that time, the land shall revert to the Department of General Services for disposal pursuant to this section or as otherwise authorized by law.

(3) Transfer of title to the land or lease of the land to a housing sponsor shall be conditioned upon continued use of the property as housing for persons and families of low and moderate income for not less than 40 nor more than 55 years. In accordance with regulations that shall be adopted by the Department of Housing and Community Development pursuant to the Administrative Procedure Act, the Director of General Services shall require that any housing sponsor purchasing or leasing land pursuant to this subdivision enter into an agreement that (A) provides for limitations on profit in the operation of that property that benefit the public and which assure that the housing is affordable to persons and families of low and moderate income, and (B) does not permit the use of the property for purposes other than the provision of housing for persons and families of low and moderate income except as provided in this subdivision. Upon recordation of the agreement in the office of county recorder in the county in which the real property subject to the agreement is located, the agreement shall be binding for a period of not less than 40 nor more than 55 years upon successors in interest to the original housing sponsor and shall inure to the benefit of, and be enforceable by, the state.

For the purposes of this subdivision, “housing sponsor” means a nonprofit corporation incorporated pursuant to Part 1 (commencing with Section 9000) of Division 2 of Title 1 of the Corporations Code; a cooperative housing corporation which is a stock cooperative, as defined by Section 11003.2 of the Business and Professions Code; a limited-dividend housing corporation; or a private housing developer who agrees to the conditions set forth in this subdivision.

(4) Up to 40 percent of the housing developed on land purchased at below market value pursuant to this subdivision may be housing which is not regulated as to price, rent, or eligibility of occupants only if the purchaser of the land demonstrates that the proceeds from the sale or rental of that housing, in an amount equal to the difference between the fair

1 market value and the actual price paid for the land, is used to
2 reduce prices or rents on other housing units which are made
3 available exclusively to persons and families of low and
4 moderate income.

5 (f) The Department of Housing and Community Development,
6 in consultation with the Department of General Services and the
7 Office of Planning and Research, shall make a report to the
8 Legislature on or before January 1, 1981, with respect to
9 effectiveness of the program and shall recommend any necessary
10 legislative changes to the provisions of subdivision (d).

11 (g) Where the land is to be used for public purposes other than
12 specifically set forth in this section, is to be operated by the local
13 agency at no expense to the state, and the use and enjoyment of
14 the public purpose contemplated will be of broad public benefit,
15 and not a benefit basically of local interest enjoyed and used
16 primarily by the residents of the area of tax jurisdiction of the
17 local agency, the Director of General Services, with the approval
18 of the State Public Works Board, may transfer the land to local
19 governmental agencies at a sales price not less than 50 percent of
20 fair market value. The transfer shall provide that if the land is not
21 used for the contemplated purpose during the period of 25 years
22 following the sale, the land shall revert to the state. The Director
23 of General Services may provide additional terms and conditions
24 which he or she determines to be in the best interest of the state.

25 (h) If there is more than one appropriate use and more than
26 one offer for the use of a parcel of surplus land, the Department
27 of General Services, in consultation with the Department of
28 Housing and Community Development, the Department of Parks
29 and Recreation, and the Office of Planning and Research, shall
30 determine the most appropriate use for the parcel and the
31 Department of General Services shall offer the land accordingly.

32 (i) Land that has been declared surplus by the Legislature,
33 pursuant to Section 11011, is not needed by any state agency, is
34 suitable for development for housing purposes, and is not in the
35 process of being acquired pursuant to other provisions of this
36 section, may upon the request of the Department of Housing and
37 Community Development be retained by the Director of General
38 Services for a period not exceeding five years, during which the
39 Director of General Services shall continue to offer the lands for
40 housing pursuant to subdivision (d).

(j) Transfer of state surplus lands under subdivision (d) shall be at a cost which will enable provision of economically feasible housing for persons and families of low or moderate income.

(k) Where the land is to be used for school purposes, the Director of General Services with the approval of the State Public Works Board and the State Allocation Board may, notwithstanding any provision in Section 11011, transfer the land to a local school district at less than fair market value of the land, if the transfer is in the public interest, under the following conditions:

(1) The land is suitable for use by a school district as a school site, school administration building site, school warehouse site, or other school use approved by the State Department of Education.

(2) The land is used by the school district for those purposes before a nonuse fee is required by Section 39015 of the Education Code or a later time approved by the State Department of Education, with a reversion to the state if not so used within the time prescribed.

(3) The deed or other instrument of transfer shall provide that the land shall revert to the state if the use is changed to a use not consistent with school purposes during the period of 25 years following the sale.

(l) Where the land is suitable for economic development purposes, as defined in subdivision (e) of Section 54221, the Department of General Services may offer the land to local governmental agencies at fair market value.

~~(h)~~

(m) This section shall be inoperative for the period commencing with the effective date of the act that added this subdivision, until July 1, 2005.

~~SECTION 1. Section 11011 of the Government Code is amended to read:~~

~~11011. (a) On or before December 31st of each year, each state agency shall make a review of all proprietary state lands, other than tax-deeded land, land held for highway purposes, lands under the jurisdiction of the State Lands Commission, land that has escheated to the state or that has been distributed to the state by court decree in estates of deceased persons, and lands under the jurisdiction of the State Coastal Conservancy, over~~

1 which it has jurisdiction to determine what, if any, land is in
2 excess of its foreseeable needs and report thereon in writing to
3 the Department of General Services. These lands shall include,
4 but not be limited to, the following:

5 (1) Land not currently being utilized, or currently being
6 underutilized, by the state agency for any existing or ongoing
7 state program.

8 (2) Land for which the state agency has not identified any
9 specific utilization relative to future programmatic needs.

10 (3) Land not identified by the state agency within its master
11 plans for facility development.

12 (4) Surplus land suitable for economic development purposes,
13 as defined in subdivision (c) of Section 54221.

14 (b) Jurisdiction of all land reported as excess shall be
15 transferred to the Department of General Services, when
16 requested by the director thereof, for sale or disposition under
17 this section or as may be otherwise authorized by law.

18 (c) The Department of General Services shall report to the
19 Legislature annually, the land declared excess and request
20 authorization to dispose of the land by sale or otherwise.

21 (d) The Department of General Services shall review and
22 consider reports submitted to the Director of General Services
23 pursuant to Section 66907.12 of the Government Code and
24 Section 31104.3 of the Public Resources Code prior to
25 recommending or taking any action on surplus land, and shall
26 also circulate the reports to all agencies that are required to report
27 excess land pursuant to this section. In recommending or
28 determining the disposition of surplus lands, the Director of
29 General Services may give priority to proposals by the state that
30 involve the exchange of surplus lands for lands listed in those
31 reports.

32 (e) Except as otherwise provided by any other provision of
33 law, whenever any land is reported as excess pursuant to this
34 section, the Department of General Services shall determine
35 whether or not the use of the land is needed by any other state
36 agency. If the Department of General Services determines that
37 any land is needed by any other state agency it may transfer the
38 jurisdiction of this land to the other state agency upon the terms
39 and conditions as it may deem to be for the best interests of the
40 state.

~~(f) When authority is granted for the sale or other disposition of lands declared excess, and the Department of General Services has determined that the use of the land is not needed by any other state agency, the Department of General Services shall sell the land or otherwise dispose of the same pursuant to the authorization, upon any terms and conditions and subject to any reservations and exceptions as the Department of General Services may deem to be for the best interests of the state. The Department of General Services shall report to the Legislature annually, with respect to each parcel of land authorized to be sold under this section, giving the following information:~~

~~(1) A description or other identification of the property.~~

~~(2) The date of authorization.~~

~~(3) With regard to each parcel sold after the next preceding report, the date of sale and price received, or the value of the land received in exchange.~~

~~(4) The present status of the property, if not sold or otherwise disposed of at the time of the report.~~

~~(g) Except as otherwise specified by law, moneys received from any property disposition, including the sale, lease, exchange, or other means, that is received pursuant to this section shall be paid into the General Fund.~~

~~For purposes of this section, net proceeds shall be defined as gross proceeds less all costs directly related to the completion of the transaction including, but not limited to, selling costs, transfer fees, commissions, and costs incurred by the Department of General Services.~~

~~(h) Any rentals or other revenues received by the department from real properties, the jurisdiction of which has been transferred to the Department of General Services under this section, shall be deposited in the General Fund in the account established by Section 15863. Any expenditures required to maintain, repair, care for, and sell this real property shall be paid from the appropriation made by Section 15863.~~

~~(i) Nothing contained in this section shall be construed to prohibit the sale, letting, or other disposition of any state lands pursuant to any law now or hereafter enacted authorizing the sale, letting, or disposition.~~

~~(j) This section shall be inoperative for the period commencing with the effective date of the act that added this subdivision, until July 1, 2005.~~

SEC. 2. Section 54220 of the Government Code is amended to read:

54220. (a) The Legislature reaffirms its declaration that housing is of vital statewide importance to the health, safety, and welfare of the residents of this state and that provision of a decent home and a suitable living environment for every Californian is a priority of the highest order. The Legislature further declares that there is a shortage of sites available for housing for persons and families of low and moderate income and that surplus government land, prior to disposition, should be made available for that purpose.

(b) The Legislature reaffirms its belief that there is an identifiable deficiency in the amount of land available for recreational purposes and that surplus land, prior to disposition, should be made available for park and recreation purposes or for open-space purposes. This article shall not apply to surplus residential property as defined in Section 54236.

(c) The Legislature reaffirms its declaration of the importance of appropriate planning and development near transit stations, to encourage the clustering of housing and commercial development around such stations. Studies of transit ridership in California indicate that a higher percentage of persons who live or work within walking distance of major transit stations utilize the transit system more than those living elsewhere. The Legislature also notes that the Federal Transit Administration gives priority for funding of rail transit proposals to areas that are implementing higher-density, mixed-use development near major transit stations.

(d) The Legislature further declares its belief that economic development of vacant and underutilized land is important to the financial well-being of local agencies. Economic development expands local employment and commerce opportunities, enhances quality of life, and increases community land values and tax revenues to local agencies, which in turn increases local government services and benefits available to residents. Economic development also deters crime and improves community security. The Legislature affirms that there is a

1 shortage of land available for economic development purposes
2 and that surplus state land, prior to disposition, should be made
3 available to local agencies for economic development purposes.

4 SEC. 3. Section 54221 of the Government Code is amended
5 to read:

6 54221. (a) As used in this article, the term “local agency”
7 means every city, whether organized under general law or by
8 charter, county, city and county, and district, including school
9 districts of any kind or class, empowered to acquire and hold real
10 property.

11 (b) As used in this article, the term “surplus land” means land
12 owned by any agency of the state, or any local agency, that is
13 determined to be no longer necessary for the agency’s use, except
14 property being held by the agency for the purpose of exchange.

15 (c) As used in this article, the term “open-space purposes”
16 means the use of land for public recreation, enjoyment of scenic
17 beauty, or conservation or use of natural resources.

18 (d) As used in this article, the term “persons and families of
19 low or moderate income” means the same as provided under
20 Section 50093 of the Health and Safety Code.

21 (e) As used in this article, the term “economic development
22 purposes” means projects designed to attract, retain, and expand
23 business that promotes economic growth and stability.

24 (f) As used in this article, the term “exempt surplus land”
25 means either of the following:

26 (1) Surplus land which is transferred pursuant to Section
27 25539.4.

28 (2) Surplus land which is (A) less than 5,000 square feet in
29 area, (B) less than the minimum legal residential building lot size
30 for the jurisdiction in which the parcel is located, or 5,000 square
31 feet in area, whichever is less, or (C) has no record access and is
32 less than 10,000 square feet in area; and is not contiguous to land
33 owned by a state or local agency which is used for park,
34 recreational, open-space, or low- and moderate-income housing
35 purposes and is not located within an enterprise zone pursuant to
36 Section 7073 nor a designated program area as defined in Section
37 7082. If the surplus land is not sold to an owner of contiguous
38 land, it is not considered exempt surplus land and is subject to the
39 provisions of this article.

(g) Notwithstanding subdivision (e), the following properties are not considered exempt surplus land and are subject to the provisions of this article:

(1) Lands within the coastal zone.

(2) Lands within 1,000 yards of a historical unit of the State Parks System.

(3) Lands within 1,000 yards of any property that has been listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places.

(4) Lands within the Lake Tahoe region as defined in Section 66905.5.

SEC. 4. Section 54222 of the Government Code is amended to read:

54222. Any agency of the state and any local agency disposing of surplus land shall, prior to disposing of that property, send a written offer to sell or lease the property as follows:

(a) A written offer to sell or lease for the purpose of developing low- and moderate-income housing shall be sent to any local public entity as defined in Section 50079 of the Health and Safety Code, within whose jurisdiction the surplus land is located. Housing sponsors, as defined by Section 50074 of the Health and Safety Code, shall, upon written request, be sent a written offer to sell or lease surplus land for the purpose of developing low- and moderate-income housing. All notices shall be sent by first-class mail and shall include the location and a description of the property. With respect to any offer to purchase or lease pursuant to this subdivision, priority shall be given to development of the land to provide affordable housing for lower income elderly or disabled persons or households, and other lower income households.

(b) A written offer to sell or lease for park and recreational purposes or open-space purposes shall be sent:

(1) To any park or recreation department of any city within which the land may be situated.

(2) To any park or recreation department of the county within which the land is situated.

(3) To any regional park authority having jurisdiction within the area in which the land is situated.

1 (4) To the State Resources Agency or any agency which may
2 succeed to its powers.

3 (c) A written offer to sell or lease land suitable for school
4 facilities construction or use by a school district for open-space
5 purposes shall be sent to any school district in whose jurisdiction
6 the land is located.

7 (d) A written offer to sell or lease for enterprise zone purposes
8 any surplus property in an area designated as an enterprise zone
9 pursuant to Section 7073 shall be sent to the nonprofit
10 neighborhood enterprise association corporation in that zone.

11 (e) A written offer to sell or lease for the purpose of
12 developing property located within an infill opportunity zone
13 designated pursuant to Section 65088.4 or within an area covered
14 by a transit village plan adopted pursuant to the Transit Village
15 Development Planning Act of 1994, Article 8.5 (commencing
16 with Section 65460) of Chapter 3 of Division 1 of Title 7 shall be
17 sent to any county, city, city and county, community
18 redevelopment agency, public transportation agency, or housing
19 authority within whose jurisdiction the surplus land is located.

20 (f) A written offer to sell or lease any surplus property for
21 economic development purposes, as defined in subdivision (e) of
22 Section 54221, to a local government entity or nonprofit
23 organization engaged in economic development.

24 (g) The entity or association desiring to purchase or lease the
25 surplus land for any of the purposes authorized by this section
26 shall notify in writing the disposing agency of its intent to
27 purchase or lease the land within 60 days after receipt of the
28 agency's notification of intent to sell the land.